#### PUBLIC WORKS & UTILITIES COMMITTEE

11-0174R

RESOLUTION ORDERING THE IMPROVEMENT OF THE 2011 MUNICIPAL STATE AID PROJECT ON ANDERSON ROAD AT AN ESTIMATED COST OF \$2,880,000.

#### CITY PROPOSAL:

RESOLVED, that it is deemed necessary for public convenience and safety and it is hereby ordered that the following street (city project no. 0357TR) be improved:

Anderson Road from Haines Road to Chambersburg Avenue

Further resolved, that said work be done by contract and that the estimated cost of said project as estimated by the city engineer is \$2,880,000, payable from Permanent Improvement Fund 411-035-5530. The funding sources for this project will be as follows: \$2,100,000 from Municipal State Aid, \$230,000 from Stormwater Utility Fund 535, \$270,000 from Sanitary Sewer Fund 530, \$280,000 from Water Fund 510, and of these project costs, \$394,800 will be assessed to benefitting properties.

FURTHER RESOLVED, that assessments shall be levied upon lands benefitting per the preliminary assessment roll (Public Document No.\_\_\_\_\_) and may be paid in fifteen annual installments at municipal bond index fund rate plus 1.50

per cent interest.

Approved:

Approved for presentation to council:

Department Director

Purchasing Agent <u>D</u>K

Chief Administrative Officer

Approved as to form:

Approved:

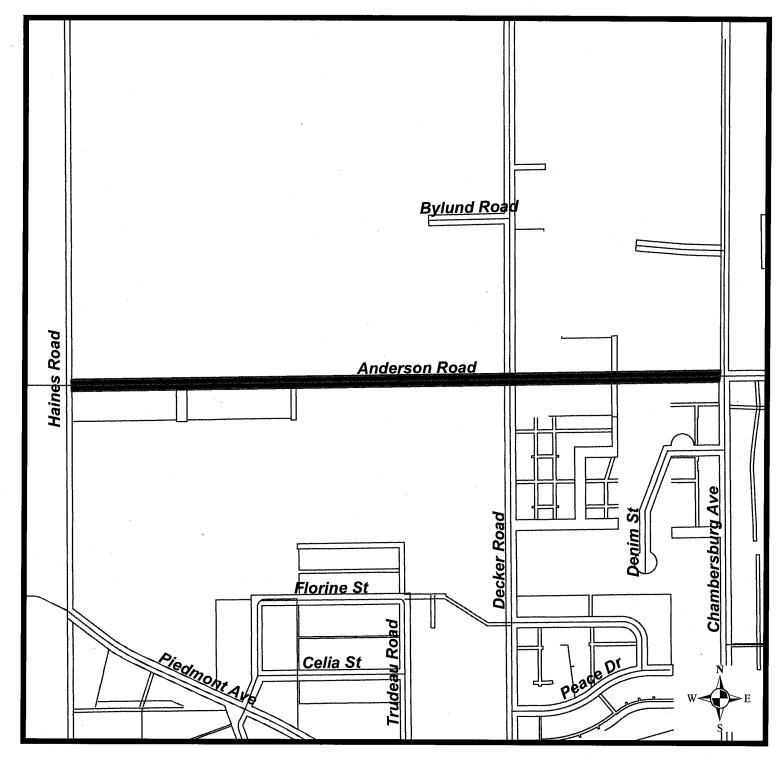
Attorney Anson

ENG

MJ**y**.jh

4/1/2011

STATEMENT OF PURPOSE: This resolution will order in assessable street improvements as part of the city's 2011 Municipal State Aid project. The estimated assessments to the abutting property owners is \$50 per front foot. This project will be bid in July 2011 and construction will begin in August 2011. The project will be built over two years, with final completion in October 2012.



Anderson Road from Haines Road to Chambersburg Ave 0357TR

S.P. 118-198-003



June 7, 2010

1 inch = 591 feet



## MEMORANDUM

**TO:** City Council Members

CC: Special Assessment Board

FROM: Cindy Voigt, PE, City Engineer

730-5071

**DATE:** April 5, 2011

**RE:** Special Assessment Board Public Hearing Minutes

Anderson Road Reconstruction, Project No. 0357TR

Pursuant to Section 61 of the Duluth City Charter, upon completion of the public hearing, the SAB "shall transmit to the council the plans, specifications and estimates filed with it and shall report to the council its findings as to the necessity of the proposed public improvement and its recommendation therefore, and its recommendations as to the assessment, if any, of the cost thereof."

Attached are the minutes of the public hearing for the project.

Plans and specifications are available for review at the office of the City Engineer.

A public hearing was held in the City Council Chambers, City Hall, on February 23, 2011 with the Special Assessment Board. Comments were heard by the public and there was discussion of the construction process and assessment process. The Special Assessment Board then recommended on April 5, 2011that project be forwarded to council for consideration on April 11, 2011.

# MINUTES OF THE SPECIAL ASSESSMENT BOARD PUBLIC HEARING ANDERSON ROAD RECONSTRUCTION February 23, 2011, 5:00 PM, Room 303, City Hall

**MEMBERS PRESENT:** David Montgomery, Chief Administrative Officer; John Gellatly, City Assessor; Jim Benning, Public Works & Utilities Director

ALSO PRESENT: Matt Decur, Engineering; Linda Brophy, Assessor's Office.

Dave Montgomery called the meeting to order at 5:00 PM.

Matt Decur gave a rundown of the project. The segment of Anderson Road from Haines Road to Chambersburg Avenue will be rebuilt in the summer of 2011. It will include a 26-foot wide street with 11-foot driving lanes and 2 –foot curbs and gutters, and a 5-foot boulevard and 10-foot shared use path on the north side. The water main and sanitary sewer will be replaced in part of the road segment and the storm sewer will be upgraded throughout. Construction is expected to begin in May 2011. Funding for the project will include a special assessment of 25% of the street construction costs, estimated at \$50 per linear front foot. If the Special Assessment Board votes to recommend the project at tonight's meeting, a resolution to order in the project will go before the city council.

Dave Montgomery said he had received several phone calls regarding stakework currently taking place on the project site, and that the callers were concerned that the stakes are marking the location of the shared-use path. Matt said the stakes are marking out easements that will be needed to reconstruct certain driveways to match the grade of the new road. He said the trail has not yet been staked out.

Dave then invited residents to address the board with their concerns about the project.

#### Tom Ehle, 2322 Anderson Road

Mr. Ehle stated that he already has \$18,800 in special assessments for the sanitary sewer and new road that were built in 2005. He said that at the time that project was petitioned, Mark Winson, then the administrative assistant had told the residents that Anderson Road was slated for improvement in the next few years, but that because it is an MSA route, the special assessment would be only half the rate for a residential street. He said that with a traffic count of 2,000 to 3,000 cars per day, Anderson Road is not a residential street, and also said that he did not agree that the proposed project would result in a property value increase for the residents.

Jim Benning said that what Mark Winson had said in 2005 was true at the time, but that since then the city has changed its method of assessing MSA routes. In order to have a fair and equitable citywide policy, all street projects are assessed at the same rate. Dave Montgomery added that the city is looking at the possibility of extending the sewer assessment and is evaluating the road section that was done five years ago.

#### Joe Everett, 2215 Anderson Road

Mr. Everett wanted to know if the cost of hooking up to city sanitary sewer was taken into account when the assessment amounts were estimated. Dave Montgomery explained that the sewer project was

petitioned and was paid 100% by the residents, and that resurfacing the street was part of those costs. He reiterated that the city is re-evaluating that portion of the project.

#### Mark Wick, 2218 Anderson Road

Mr. Wick handed out copies of a petition signed by residents of 30 of the 32 homes on Anderson Road from Decker Road to Haines Road, which he had presented to the city council in November 2010. The petitioners request relief from the pending assessment because a) the city did not honor a commitment to rebuild Anderson Road in 2009 when assessment rates were lower, and b) because they are already burdened by the sewer assessment. Mr. Wick also argued that his property's value will not increase as a result of the rebuilt road, and that the projected traffic count increase of 1,000 cars per day is not an "improvement."

## Gary Holter, 2506 Anderson Road

Mr. Holter said that many residents on this segment of Anderson Road are, like him, retired and on a fixed income, and that a special assessment on top of increased property taxes would create a financial hardship for many of them. He also brought up the issue of speeding, saying that a couple of neighbors with small children had sold their homes and moved away because of speeding traffic on the road.

#### Julie Valesano, 1811 Anderson Road

Ms. Valesano said she is a single homeowner with two children in college and simply cannot afford the special assessment.

### Carolyn Dahl, 2119 Anderson Road

Ms. Dahl said she is a widow on a fixed income. She stated that the sewer assessment is burdensome and that an additional assessment could mean that she would be unable to afford to stay in her home, which has been in her family since the 1920s. She added that a lowered assessment or lowered interest rate would be helpful.

Dave Montgomery informed the group that the \$50 per front foot is an estimated maximum and is not necessarily the amount that will be assessed after the project is completed. It could very well be less. He said that Duluth's infrastructure is aging, and upgrading it is very costly. Most projects are financed in part by federal and state funds as well as city utility funds, and that only 25% of the street construction portion of a project is special assessed. Recent policy changes have made the assessment rate the same citywide, no matter what type of street. He said that engineers do take traffic count into consideration when designing a project. Anderson Road is deteriorating and needs work. He also added that the city has been getting good bids lately, with construction costs coming in under estimates.

#### Mark Worth, 2202 Anderson Road

Mr. Worth said that the new sanitary sewer line is not at the same level of infrastructure as the rest of the city, because instead of building a lift station, residents had to have grinder pumps installed, resulting in higher costs to the residents.

## Carolyn Dahl

Ms. Dahl asked why the shared-use path is necessary. She stated that the proposed path is only 7/10 of a mile long and won't go anywhere, and wondered why it wasn't being built down Trinity Road toward Lake Superior College, and added that the bridge over Miller Creek is very narrow and has no shoulders.

Dave Montgomery said the path is part of planned accessibility for multiple users, and that this trail segment will eventually become part of a large trail system, but it will have to be built in pieces.

## Gary Braun, 1830 Anderson Road

Mr. Braun said that while he understands the concept of "Complete Streets," he doesn't understand why a trail is being built instead of sidewalks. He says no one there wants the trail and that the residents never got a fair hearing on this issue. He indicated that he is working on gathering signatures for a petition to remove the trail from the plans.

Tom Ehle asked if funding for the project was tied to the existence of a bike trail. Jim Benning clarified that it is not. Mr. Ehle then explained that the sanitary sewer project was petitioned in 2005 because several residents were experiencing failed septic systems.

Keith Hamre asked what the extent of the delay would be for the board to consider all of the issues brought up here, because solutions would be needed before the board could vote to recommend the project. Matt Decur replied that he hoped to have an ordering-in resolution for either the March 28 or April 11 council meeting. Dave Montgomery asked if the bid schedule would be affected if that resolution did not go to the council until the April 25 meeting. Jim Benning said that the federal funding for this project means a great deal of additional preliminary paperwork for the contractor. He cited the Glenwood Street project as an example, saying that the extra paperwork meant construction did not get started until July. A month's delay in the ordering-in resolution could mean even more delay on the construction end. Dave asked if a couple of weeks would be adequate. Keith moved to delay a vote on the project by two weeks and to hold another meeting to further examine these issues and Jim Benning seconded.

A resident who did not identify himself requested that residents be allowed to vote on the sidewalk issue. Wendy Braun said that it seemed to be an arbitrary decision on the part of the city, with no input from the residents. Gary Braun said the path's footprint is too large and the houses are not back far enough.

The motion passed unanimously.

Respectfully submitted,

David Montgomery, Chair Special Assessment Board

Jeanne Horn, Secretary Special Assessment Board